



COMMONWEALTH OF KENTUCKY
OFFICE OF THE GOVERNOR

STEVEN L. BESHEAR
GOVERNOR

700 CAPITOL AVENUE
SUITE 100
FRANKFORT, KY 40601
(502) 564-2611
FAX: (502) 564-2517

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Dear Friend:

Late last week I announced my plan to implement the FY10 budget adjustments necessitated by the downturn in the economy. Though I proposed 2.6 percent cuts to most state agencies during the special legislative session in June, as many of you know, two new programs that will result in reduced tax receipts were legislatively enacted, along with some additional spending. Those additions have exacerbated the shortfall and resulted in the need for us to make additional spending reductions this fiscal year. In addition, the independent revenue forecasters are predicting further revenue shortfalls in the current year.

However, I will continue to maintain my commitment this budget year to protect critical education programs from cuts. If Kentucky is going to have a chance at succeeding in the modern world, we cannot back away from investing in our future, our children. That is why, despite these very difficult economic times, I will not cut SEEK, the basic K-12 funding formula for schools, funding for health insurance for public employees and teachers, the Kentucky Teachers Retirement System, higher education or adult education.

We are seeing important glimmers of hope in both our national and state economies. Manufacturing and housing markets are picking up both here and across the country, and I hope that consumer confidence and spending will start to rise. But our budget picture is extremely challenging, and acting prudently and wisely now is critically important as we are confronted with extremely difficult and potentially painful decisions over the next two years.

As always, I appreciate your support and, more importantly, the critical work you do for the Commonwealth. Though even tougher times may be ahead, together we must continue to stand up for education and all that it brings to this great state.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven L. Beshear".

Steven L. Beshear